Good afternoon, and thank you for the opportunity to speak with you today.

My name is Carolyn Goodwin and I own and operate an independent insurance agency in Dallas. Our agency's primary focus is small group and individual health insurance, together with ancillary products that include dental, vision, life and disability coverage. Most of our group clients have 5 to 25 employees, and depend on us to be their company's benefits department.

I have been a licensed agent in Texas since 1993, and hold equivalent non-resident licenses in other states. In addition to the required licensing, I am also certified through the Texas Department of Insurance as a Continuing Education instructor on several topics, including Professional Ethics.

A complete professional biography is included in your packets.

I have been asked to testify today as to the difference between a licensed agent and a navigator under the Affordable Care Act. I can only speak to the proposed requirements in Texas, and am grateful that our legislature and our governor have recognized that more than three to 20 hours of training is required in order to properly assist the consumer.

Requirements in Texas for a General Lines Life and Health insurance license include

- ☐ 40 hours initial training, self study and classroom
- ☐ Pass a closed book exam with a grade of 70% or better
- ☐ Obtain an insurance carrier endorsement for initial license issuance
- ☐ Submit to detailed background investigation and fingerprints
- ☐ Maintain sufficient professional liability insurance coverage to protect consumers in the event of error that damages the consumer
- ☐ Comply with all privacy requirements, both state and federal, including maintaining security of all client data, physically and electronically
- ☐ Continuing Education each 2 year renewal cycle of a minimum 30 hours, 2 of which must include professional ethics

Our professional association and our members operate under a strict Code of Ethics which generally provides for

- ☐ Fairness in all transactions
- ☐ Put the client's needs first

- ☐ Provide facts, not fiction
- ☐ Be truthful in all actions
- ☐ Treat carriers, clients and competitors with respect and fairness

You might ask, "why is this important". We believe it's important to put the needs of those we serve first, and to do so with professional integrity. There have been times when we cannot sell policies to people who contact us for assistance. In our world, that doesn't stop us from offering information about any one of the several public safety nets, and helping the very people who most need our help. We don't get paid for that advice, except by the knowledge that we have made a difference in the life of someone who perhaps didn't know where else to turn.

The state of Texas has gone a long way to enhance the capability and knowledge of Navigators in our Federally Facilitated Marketplace. In its last legislative session SB 1795 was passed. Rules have been drafted and are awaiting public comment. Essentially, the new law will require significantly more training than is required in other states where a FFM is in place. It will also require background checks and fingerprinting, just as agents are required to provide today.

As of today, however, capability, credibility and knowledge of a Navigator still falls within the requirements issued by the Department of Health and Human Services. That means the very people who need coverage and are doing their best to comply with the new law are possibly being advised by ill-trained individuals who have little to no understanding of how health insurance works in the first place.

Ironically, those same requirements apply only to organizations or individuals who have received Navigator grant funds, meaning that there is the potential that persons acting as Navigators, without a Federal grant are completely unregulated by HHS. That issue is critical to the reasoning that supports the new Texas law.

So, what's the difference? Agent or Navigator, and does one cost more than the other.

First and foremost, cost of coverage to the consumer is the same price, plan to plan, whether an agent sells the policy or the consumer goes directly to the Marketplace. Agents who have certified through CMS can even assist the consumer through subsidy calculation and application process.

Plan designs are essentially identical; provided the carrier offers all plans through the Marketplace (most don't). And, there are some carriers who have elected not to participate in the Marketplace in our state, or to restrict their plan offerings in the Marketplace. Agents have access to those carrier products as well.

Once a policy is issued, to whom does the consumer turn if there are claims or billing problems or questions? Navigators are not a problem resolution source. They cannot advocate on behalf of the insured. Agents are that source. My clients depend on my agency to solve their problems and answer their questions. Sometimes we aren't successful because of rules, regulations or unintentional consumer error, but at least the client has a name and a face that they trust is on their side and who will do everything possible to rectify any issues that arise. Purchase through the Marketplace, without an agent and they have a single choice, and that is to call the carrier.

The National Association of Health Underwriters has been extremely active with the administration in an attempt to help implement the Affordable Care Act. There are pieces and parts of the law that we support, so I am not here to slam the law as a whole. The suggestion however, is that the administration would have been wise to consult with the experts.

**Carolyn L. Goodwin, CBC, SGS** is the Principal of Goodwin Benefits Group, LLC, and has worked in the insurance industry since 1992. She opened her own agency in 2007 after 15 years with CBIZ Benefits and Insurance Services, Inc., and continues to provide guidance to the clients she has served so capably. She and her team specialize in assisting small and medium sized business owners identify, evaluate, implement and manage quality employee benefit programs. Her work with over 100 local businesses in the Dallas area is predicated on the philosophy of sound management strategy and accountability in all areas of traditional employee benefits such as health, dental, vision, life and disability income insurance. Other programs available include tax favored programs, such as cafeteria plans, health savings accounts, health reimbursement arrangements and qualified retirement programs

Prior to Carolyn's entrance into distribution of employee benefit products, she was a corporate Human Resource Director, managing employee benefit programs for over 12,000 employees nationwide. Her responsibilities included management of multiple self-funded health and welfare plans, oversight of all insurance contracts, reinsurance arrangements, claims adjudication and audit services, cost containment provisions and employee communications.

Ms. Goodwin has been a featured speaker on numerous topics directly related to the health insurance industry, including evaluation of health plans, alternative funding options and mandated benefits. She is certified by the Texas Department of Insurance as a Continuing Education Instructor on subjects that include the funding of healthcare benefits, professional ethics, strategic market reform, the cost of benefit mandates and tax favored employee benefits programs. Carolyn earned the Chartered Benefit Consultant designation in 2006, and her Consumer Direct Health Care certification in 2007. In 2010 she was among the initial class to earn a Small Group Specialist designation (SGS) sponsored by the Texas Association of Health Underwriters, and teaches that course today.

As a requirement of her work, Carolyn holds the General Agent Life & Health license in the state of Texas and the equivalent non-resident license in several other states. She is a past president of Texas Association of Heath Underwriters and Dallas Association of Health Underwriters, and has been a member of the National Association of Health Underwriters since 1993.

"Quality service is the key to any program's success", says Goodwin, "even when the prices hurt, having an empathetic advocate on your side of the table is critical."

To request information about the consultative services available through Goodwin Benefits, please contact Carolyn at 972.503.4248, or via email at cgoodwin@goodwinbenefits.com

December 3, 2013

Dear President Obama,

I am writing on behalf of The National Association of Health Underwriters (NAHU), a professional association representing more than 100,000 licensed health insurance agents, brokers, consultants and employee benefit specialists nationally. Our members service the health insurance policies of millions of Americans and work on a daily basis to help individuals and employers purchase, administer and utilize health insurance coverage that best fits their needs and budgets.

Since the passage of the Affordable Care Act, health insurance agents and brokers have taken an active interest in the development of the new health insurance marketplaces as a means to provide coverage options to both their individual and small-business clients. Because it is the professional role of our members to provide consumers with accurate information about their health coverage options, exchange participation is a natural fit. Agents and brokers have worked with officials to establish and implement state-based marketplaces and, according to the Department of Health and Human Services, over 70,000 have completed the certification process to help consumers in the federal and partnership marketplaces.

While the agent and broker community appreciates the recent efforts the Administration has undertaken to improve the front-end user experience on healthcare.gov, we want to make it clear that a number of back-end technical obstacles still exist for health insurance agents and brokers trying to actively support the federal marketplace. Agents and brokers would like to help increase marketplace enrollment as much as possible over the next few months, but technical barriers prevent them from doing so. To better leverage the expertise of marketplace-certified health insurance agents and brokers, increase the number of health insurance marketplace enrollments and improve consumer protections moving forward, I urge you to take immediate action on the following items:

1. Include sources of agent and broker contact information on the list of in-person assisters on the search feature on healthcare.gov. Agent search features are common on state-based exchanges and the federal marketplace should replicate their technology. Agent search features help consumers find the resources they need to help them make the final enrollment decisions.

2. Establish an immediate clear path for brokers to submit applications and help their clients directly beyond the website. This could be via a dedicated call-center line, a designated mailing location for paper applications, or both. Agents and brokers need an efficient way to ensure that the hundreds of thousands of applications for coverage they are currently trying to process will be handled in time to ensure that their clients have continuous coverage beginning January 1, 2014. At this point, most certified agents have a significant backlog of clients with whom they have already met, but they and the clients were stymied early on during the open-enrollment process, so their enrollments are not complete. These clients readily want, and have given their permission for, their agent to act on their behalf regarding enrollment moving forward. Certified agents have signed stringent privacy agreements with HHS and are subject to state and federal privacy laws, including HIPAA and the Gramm-Leach-Bliley Act financial privacy requirements. However, these agents cannot enroll their clients via the website

or the call center without the direct involvement of consumer, who needs to be physically present to complete identity-verification procedures. Given the volume of applications that need to be processed at this point, the physical challenges of getting each client to sit down with their agent again to complete the enrollment process together and the desire of many consumers to simply have their agent finish the enrollment process for them, we feel an immediate alternative means for agents to clear their backlog is warranted. Further, as the technological improvements to healthcare.gov move forward, we ask that you create a direct broker portal to facilitate online enrollment by brokers on behalf of their clients. This type of access portal was planned for the federal marketplace, but delayed earlier this year due to technological issues. Such portals are standard in the state-based health insurance exchanges, which have been experiencing greater degrees of enrollment success.

3. Establish a user-friendly means for consumers and issuers to be able to edit their records and designate that the consumer is working with a broker, including adding the broker identifying information (the National Producer Number and marketplace ID) to the record at any point during the enrollment process and policy year, not just before the subsidy determination is complete. Brokers need the ability to help consumers who are already registered on the marketplace and have a subsidy determination but have not yet enrolled in a health insurance policy. Unfortunately, once individuals are already in process with the federal marketplace and have completed the subsidy-determination portion of their application, they cannot add a broker to their case. Often, it is just at the point of subsidy determination that people find the process of enrolling too difficult to do on their own and need a trusted source to help them complete their application. In addition, we know that there are many, many cases of enrollments completed in November and October where the broker's identifying information was not transmitted to an issuer due to call-center errors and 834 file transmission problems, and issuers cannot easily edit their 834 files received from the marketplace to add a broker. Individuals and issuers need to be able to add a broker NPN and marketplace ID to a case at any point during the application process, and even after enrollment. This will help the consumer get the needed assistance to complete the buying process and ensure that the consumer has the customer service support a broker provides throughout the plan year, not just during signup. It will also allow brokers to be adequately compensated for their role and ensure that the broker's errors-and-omissions insurance policy covers the case. This provides a key consumer protection because the marketplace, issuers and state regulators need to know each person who has worked on an insurance case in the event of any errors or issues. State-based exchanges have this capability, and we believe the federal facilitated marketplace needs it as well.

4. Create a dedicated customer-support line for agents and brokers. People often turn to an agent for help when their case turns tricky. As licensed and trained professionals, agents also often spot problems before consumers operating on their own would. If brokers had easy access to enhanced customer-service support, they would be better able to help their clients and help the marketplace and issuers flag and prevent problems from occurring. This type of dedicated customer service is also standard with state-based exchanges and we hope it will soon be added to the federally facilitated marketplace.

5. Routinely include agents and brokers as a local assistance option along with navigators and application counselors in all public communications, including speeches, advertising, the website and other means. This will

be especially important as you attempt to rebrand the marketplace in the coming weeks in an effort to ensure that consumers come back and seek coverage.

6. Give enhanced priority to technology efforts that will allow both agents and individual consumers access to direct enrollment portals, both through health insurance issuers and through web-based brokers in all states. Independent agents and brokers are eagerly anticipating the widespread availability of this enrollment technology, as it will be much easier for them to navigate with their clients than healthcare.gov is at the present time. In addition to making the necessary repairs to healthcare.gov to ensure that these enrollment avenues are available, resources need to be dedicated to ensure that these portals are glitch-free and will be a consistent point of enrollment access for consumers and their licensed professional health insurance advisors.

7. To build better cooperation with brokers, call-center operators, navigators and other assisters, commence a communication campaign to encourage all CMS-approved and trained enrollment groups to work together to bring people to the marketplace. No one group should feel like it needs to claim credit for bringing a consumer into the coverage system. In the spirit of the "no wrong door" approach to coverage, we should be encouraging consumers to seek help through as many assisters as needed, and we should be fostering a spirit of cooperation among all of those who may facilitate enrollment.

8. As technology changes are made to the website and back-end marketplace operations, we ask that you amend the marketplace coverage applications to allow for navigator/non-navigator assister, call-center support and agent interactions with consumers to both be recorded on a single application. This will provide better consumer protection and inspire greater cooperation.

The agent and broker community stands at the ready to assist marketplace consumers and bring new people into the health coverage system. I appreciate your Administration's ongoing efforts to ensure that they are able, and thank you for your attention to these matters.

Sincerely,

Janet Trautwein
CEO, National Association of Health Underwriters

CC: Secretary Kathleen Sebelius
Mr. Jeffrey Zients
Mr. Gary Cohen

JEANNE SHAHEEN
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# United States Senate

WASHINGTON, DC 20510

November 22, 2013

The Honorable Kathleen Sebelius
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

We are fast approaching the deadline when consumers must enroll in health insurance plans to be covered on January 1, 2014. While improvements to healthcare.gov are being made, I am concerned that website delays have resulted in missed opportunities for health insurance agents and brokers to educate and enroll Americans in quality health insurance coverage. As you know, a successful implementation of the Affordable Care Act depends on encouraging as many people as possible to sign up for insurance coverage through healthcare.gov. It is essential that we utilize all the tools at our disposal to make that happen.

Given the setbacks to healthcare.gov, consumers in New Hampshire and across the country are confused and uncertain about their options. For some, this may be the first opportunity they have ever had to acquire health insurance, and for others the marketplace represents a new way of selecting and purchasing their plans. Navigators, in-person assistors, certified application counsellors and health insurance agents and brokers across the country are providing valuable assistance to consumers each day. They are working diligently to educate and help people who need it most, ensuring that consumers are able to make a decision about the plan best for them after taking into account all options and carriers available in the market.

Unfortunately, insurance agents and brokers are experiencing barriers that prohibit them from successfully helping consumers sign up for health insurance online, by mail or through call centers. Making meaningful progress in addressing their concerns is critically important to ensuring robust enrollment in healthcare.gov, and I encourage the Administration to address the issues facing agents and brokers.

First, contact information for local agent and broker resources should be easily accessible for those shopping on the website. Second, both consumers and issuers need a user-friendly way to edit application records and designate that the consumer is working with a broker during the enrollment process. Without this change, many applicants, including the 975,000 Americans who have started the application process but have not yet selected an insurance plan will be unable to seek the advice of a broker to make an enrollment decision. Finally, the Administration should establish a clear path for brokers to submit applications beyond the website, such as through a dedicated call-center line or a designated mailing location for paper applications.

Health insurance brokers and agents are assisting consumers and working toward our shared goal of enrolling people in health insurance. We must ensure they are able to effectively bring new people to the health insurance marketplace, which will help make the Affordable Care Act work as intended.

Thank you for your attention to this matter.

Sincerely,

Jeanne Shaheen
United States Senator

Cc: Mr. Jeffrey Zients